

Xanadu Mines Ltd

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Xanadu Mines steps-up drilling to boost copper-gold bounty in Mongolia

Xanadu Mines Ltd (ASX:XAM) is stepping up drilling at its Kharmagtai project in Mongolia as it seeks to expand existing copper-gold resources and test near-surface regional targets.

The company has engaged extra drill rigs for the project in the South Gobi region, not far from the Oyu Tolgoi Copper-Gold Project of Rio Tinto plc (LON:RIO) controlled Turquoise Hill Resources Ltd (TSE:TRQ).

Four rigs will be used for exploration drilling to test high-grade mineralisation below existing resources and multiple near-surface priority targets.

WATCH NOW: Xanadu Mines cashed up and working to unlock the value at Kharmagtai

This work, which will increase during the Northern Hemisphere spring, will follow-up field activities and drilling during the December quarter 2017.

Andrew Stewart, managing director and chief executive officer, said: "We believe Kharmagtai represents one of the most promising copper and gold discoveries being explored globally at present.

"Recent step-out drilling around the maiden shallow resources at Copper Hill, Stockwork Hill and White Hill has delivered some exceptional results.

"This new drilling has defined significant extensions to high-grade mineralisation at all three deposits, which is sure to extend resources.

"Maintain our dual drill strategy"

"With the expansion of the drilling fleet at Kharmagtai to four drill rigs, we plan to maintain our dual drill strategy.

"This encompasses expanding known mineralisation through exploration of tourmaline breccia-hosted mineralisation below and along strike from the current resources and drill testing all shallow high-priority porphyry copper-gold and gold targets undercover."

READ: Xanadu Mines copper-gold extensions at Kharmagtai point to large scale deposit

The deposits of Stockwork Hill, White Hill and Copper Hill have a combined resource of 203 million tonnes at 0.34% copper and 0.33 g/t gold for circa 1.1 million tonnes of copper equivalent.

Price: A\$0.049

Market Cap: A\$33.73M

1 Year Share Price Graph



Share Information

Code: XAM

Listing: ASX

52 week High Low
A\$0.16 A\$0.05

Sector: Mining

Website: www.xanadumines.com

Company Synopsis:

Xanadu Mines Ltd (ASX:XAM) remains committed to Mongolia and its potential as one of the last great copper frontiers.

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The existing resources and targets at Kharmagtai.

Stockwork Hill is open at depth, to the east and west and may connect to White Hill to the south.

White Hill is open at depth, to the east, south and west, and Copper Hill is showing growth potential at depth.

Strong Red Mountain results

Xanadu has also received strong results from the Red Mountain project, which is to the east of Kharmagtai.

Interpretation of the ground penetrating radar continues and Xanadu is planning for the field season in spring.

The company is well-funded with a cash balance of \$9.1 million as at 31 December 2017.

It has also recently increased its holding in Mongol Metals JV to 85%, which provides an effective interest of 76.5% in the Kharmagtai project.

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